# Los Angeles Department of Water and Power Green Power for a Green LA Program



#### John Giese

**Green Power Program Manager** 

### Presentation Outline

- Overview of Program
- What We Did Right what we did wrong would take too long
- Suggestions For Your Success
- Questions

### Program Overview

- Flagship DWP Environmental Offering
  - Facilitates the Development of New Renewable Energy
  - Encourages Energy Efficiency
  - Includes Energy Sales and Services (Future)
- Aligns With Other Public Benefits Programs (AB 1890)
  - Photovoltaic Installations
  - Electric Transportation 100% No Emission Vehicles
  - Cool Schools Tree Planting Program
  - Energy Efficiency Programs
  - Electric Leafblowers
  - Recycling non pb program

### Program Description

- Green Rate Choice for Customers
  - Customers Can Choose to Have of a Portion of Their Electricity Provided by New Renewable Energy Resources:
  - 20% for Residential and Small Business
  - 500 to 1,000 kWh/month for Larger Customers
  - Custom Contracts for Others
- Provide Energy Efficiency Products and Services for Participants

\*Existing Green Power will be provided to low income customers

### Energy Efficiency Component

- Products and Services Provided to Participating Customers
  - Compact Fluorescent Lights and Fixtures
  - Retail Alliances for Discounts on Energy Efficient Appliances
  - Audit and Energy Use Reduction Services

## **Pricing**

- Extra 3 Cents Per kWh for New Resource
  - 6% Rate Increase for Residential and Small Business Customers (\$3 Increase on a \$50 Bill)
  - \$15 to \$30/month for Large Business Customers, More if They Choose a Higher Percentage

### Rationale / Benefits

- Environmental Responsibility
- Resource Diversity
- Improved System Reliability
- Cleaner Air
- Economic Development
- A Better World for Future Generations

### Program Goals

- Initial 2,000,000 kWh Per Month or 20,000 Customers
  - Both Attained in January, 2000
- 100,000 Customers in Three Years
- 100 MW of Installed New Capacity in Three Years
- Cost Competitive Green Power by 2005

## Development of the Program



#### Things We Did Right - Marketing

• Extensive Contact With Environmental Groups and Other External Community Stakeholders

- Community Groups Were Contacted Trained, and Reimbursed for the Cost of Their Involvement, If They Were Convinced It Was a Good Program
  - Generated Good Press and Jobs, as Well as Third Party Validation of Our Program

#### Things We Did Right - Marketing

- Good Public Relations and Media Relations
  - Lots of Free Press Through Relationship With a Good PR Company and Inviting Celebrities and Politicos to Relevant Events
- Lots of Community Events, Backed up by Inexpensive Direct Mailings and Bill Check Offs
- Use of Third Party Mailing Lists and Endorsements
- Did Not Say Anything Bad About Other Marketers

#### Things We Did Right - Marketing

- Tied the Program in Well (Almost Too Well) With Our Other Public Benefits and Non-public Benefits Programs.
- Tried to Develop a Brand That Would Help DWP If Successful, and Be Forgotten If Not Successful
- Did Not Over Promise

#### Things We Did Right - Logistics

- Simple Energy Efficiency to Start
  - Logistics Did Not Get Over Strained
- Simple Website With Lots of Information and Minimal Required Functionality to Start, but Built With E-commerce in Mind

#### Things We Did Right - Logistics

- Lots of Internal Stakeholder Review and Input
  - Energy Control Center
  - Legal / Purchasing
  - Customer Relations
    - » ARUM Customer Tracking
    - » Call Center Training
    - » Branch Offices Training
    - » Account Reps for Larger Customers
    - » Lots of Service Delivery Flow Charts and Testing Before Launch.
- Kept the Whole Organization in Mind and Did Not Reinvent the Wheel or Create Non Duplicable Processes

#### Things We Did Right - Information Technology

- Straight Percentage of Use, Easy on the Computers
- Talked to These Folks Well Before Designing the Program

#### Things We Did Right - F&A

- Keep Info on Quickbooks
- F&A Support and Auditing for Financial Documents
- Rate Group Support on Ordinance That Funds Us Exclusively

### Suggestions

- Do Your Research
  - Marketing Lead Time, Branding, Positioning, Customer Demographics, Test Messages
    - Art and Creative Should Not Be Ignored
  - Market Competitors Do Not Assume You Are Not in Competition
- Convince Your Management to Have a Long-term View, It Will Get You Better Prices on Your Resources.
- Don't Try to Be Everything to Everyone at First, Unless You Are Really Good
- Pick a Deadline to Launch and Stick With It, Nothing Will Go Right Anyway

### Green Power for a Green LA

#### Questions

**John Giese** 

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